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175, South Lake Ave, Suite 200, Pasadena, California 91101

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Fax: (213) 895.7306

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NBER reports on diminishing financial aid

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The National Bureau of Economic Research released a research paper commenting that the reduction in state funding for higher education can cripple students' future and thus be harmful to economic growth. "Cohort Crowding: How Resources Affect Collegiate Attainment" outlines how college enrolment is affected by factors including financial feasibility of a college education and the availability of financial aid. With the increase in demand for college education and the fluctuating supply of federal financial aid, the percentage of students successfully attaining college degrees is bound to decrease along with the quality of the final product. The report states: "The impending collision of large cohorts and limited public resources in higher education is not just a predicament for colleges and universities, but a potential crisis in economic growth for decades to come if the flow of college-educated workers to the labor force is further curtailed." John Bound, the leading author of the report, suggests that a 10-percent rise in the college-age population in a state leads to a 4-percent decline in the number of students earning Bachelor of Arts degrees.

\$18 million in grants to "Gear up Idaho"

The state of Idaho has been bestowed with \$18 million in federal grants to help students from low-income families with scholarships and academic counseling for higher education. To begin this academic year, the "Gear up Idaho" grant will help school students better prepare for college. The program is open to schools in which 50 percent of their students qualify for free or reduced lunches; these schools can become "Gear up Schools." Around 90 middle and high schools in the state are eligible for the funding. The program includes up to \$16,000 four-year, renewable college scholarships for more than 600 students of the qualifying schools, along with computers for some students. The selection for the scholarships is based on financial need and academic promise. Nearly half the funding is expected to be towards the scholarships. The state's education department has lauded this move, which it expects will help a number of Idaho students who cannot afford higher education.

UGS provides in-kind grants

Product lifecycle management (PLM) software and services company UGS Corp. announced \$1 billion worth of in-kind software grants for 50 colleges and universities affected by Hurricanes Katrina and Rita. In an effort to train skilled workers with first-rate technology, the company reported that the grants will be provided by way of direct access to UGS' PLM software for institutions that would annually help 7,000 undergraduate and graduate students in the five affected states of Alabama, Florida, Louisiana, Mississippi, and Texas. The software is used by reputed companies such as Northrop Grumman and Oreck Corporation in their product

continued on back



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innovation research. The PLM software will provide students and faculty with the same tools – as deployed in leading manufacturing companies – to envision, design, engineer, and validate projects. The grants are made available through UGS's Global Opportunities in Product Lifecycle Management (GO PLM) initiative, which presents \$4 billion in commercial value, in-kind grants annually.

Board of Regents approves UW-La Crosse's plan

University of Wisconsin-La Crosse has received the first positive signal from the Board of Regents for its growth and access plan. The Board has approved the \$4.315-billion 2007-09 biennial budget request. The plan would boost enrollment by 1,000 students during the next 10 years and increase in-state tuition by approximately \$1,300 over three years. If approved, the arrangement would decrease non-resident tuition by about \$3,000 and increase student enrollment to about 9,600. The plan would also generate close to \$15 million, encompassing \$4 million for financial aid, while the rest would be utilized to recruit about 130 more faculty and staff. Though still awaiting the governor's approval, the Board did enough to please the supporters of the plan.